

**Fiscal Services Division**  
**Legislative Services Agency**  
**Fiscal Note**

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HF 813 - Real Estate Transfer Tax, Homeless (LSB 1996 HV)  
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Fiscal Note Version - New

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**Description**

House File 813 provides that funds from the Real Estate Transfer Tax received by the State Treasurer are distributed as follows:

- 93.0% to the General Fund and 7.0% to the Shelter Assistance Fund in FY 2008
- 91.0% to the General Fund and 9.0% to the Shelter Assistance Fund in FY 2009
- 90.0% to the General Fund and 10.0% to the Shelter Assistance Fund in FY 2010 and future fiscal years.

**Background**

Current law requires that 95.0% of the Real Estate Transfer Tax received by the State Treasurer be deposited to the General Fund and 5.0% be deposited to the Shelter Assistance Fund. The Bill increases the amount deposited to the Shelter Assistance Fund each fiscal year until FY 2010 when the amount will be 10.0%.

**Assumptions**

Based on the amount of Real Estate Transfer Tax received by the State in FY 2007 (through December 2006) and the current housing market, it is estimated that the FY 2008 Real Estate Transfer tax will remain unchanged from the current estimated FY 2007 amount. The amount is estimated to increase 5.0% each fiscal year after FY 2008.

**Fiscal Impact**

The estimated impact of the Bill compared to current law results in a decrease in the General Fund and a corresponding increase to the Shelter Assistance Fund each fiscal year. The impact will be \$364,000 in FY 2008, \$765,000 in FY 2009, \$1.0 million in FY 2010, and \$1.1 million in FY 2011.

<b>Estimated Impact of HF 813 Compared to Current Law</b>			
	<b><u>Est. General Fund Amount</u></b>		<b><u>Est. Shelter Assistance Fund Amount</u></b>
<b>FY 2008</b>	<b>\$ - 364,154</b>	<b>\$</b>	<b>364,154</b>
<b>FY 2009</b>	<b>\$ - 764,724</b>	<b>\$</b>	<b>764,724</b>
<b>FY 2010</b>	<b>\$ - 1,003,700</b>	<b>\$</b>	<b>1,003,700</b>
<b>FY 2011</b>	<b>\$ - 1,053,885</b>	<b>\$</b>	<b>1,053,885</b>

**Source**

LSA Estimates

/s/ Holly M. Lyons

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March 20, 2007

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

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